Achenbaum's analysis—P. 41 | Auto dealers get angry—P. S-1 | Jim Brady does L.A.—P. 54

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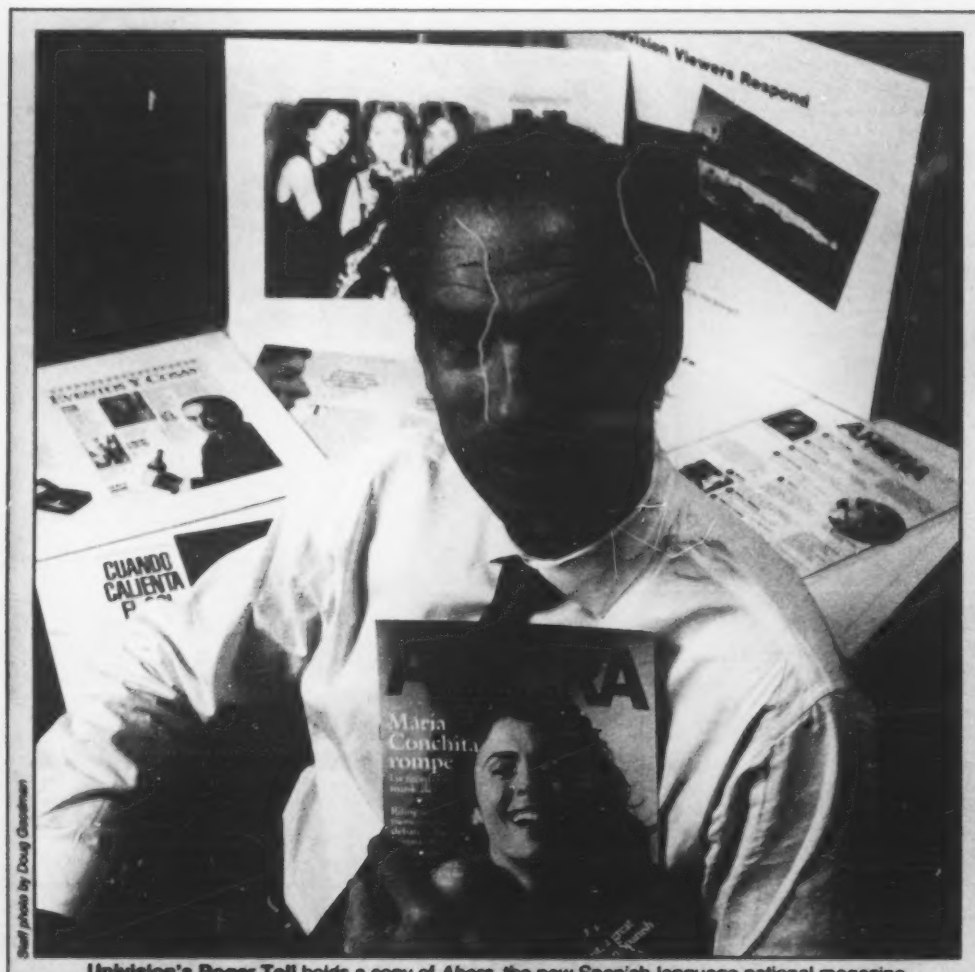
Advertising Age

Crain's International Newspaper of Marketing. In Two Sections. Section 1.



Staff photo by Doug Goodman

Univision's Roger Toll holds a copy of *Ahora*, the new Spanish-language national magazine.

Hispanic TV leader sets print revolution

By ED FITCH

Univision Holdings, owner of the largest U.S. Spanish-language TV network, is moving to revolutionize Spanish-language magazines.

Univision's ambitious plans could bring an infusion of ad dollars to what's been a minor factor in Hispanic media.

In August, the company's new publications division will launch *Ahora*, described as a general-interest, service-oriented Spanish-language magazine that combines elements of *People*, *Time* and *New York*.

The quarterly publication will carry a Business Publications Audit of Circulation-audited controlled circulation of 500,000, delivering 370,000 more readers per issue than any other Spanish-language magazine.

"The available national print media's circulation is about one-third of what *Ahora* will achieve in its first release," said Meg Bernot, media director of Publicidad Siboney, New York. The agency is evaluating *Ahora* for clients Colgate-Palmolive Co. and Pepsi-Cola USA. No advertisers have been signed yet.

Hispanic agency media buyers say *Ahora* will drastically alter the field of Spanish-language magazines. Of the $550 million spent in Hispanic media annually, print garners only an estimated 9%, most of it directed at newspapers.

Also, most recent successful launches of Hispanic-oriented national print media have been in English. For example, English-language newspaper insert *Vista* recently hit 1.4 million circulation (AA, Sept. 28).

If *Ahora* meets its ad objectives, it will boost print spending single-handedly.

"We blow existing print budgets out of the water," said Javier Saralegui, sales manager. "But when one page in *Sports Illustrated* costs $80,000, to hit a whole community with one book at the price we're asking is not out of line."

A color page in *Ahora* will cost $15,000 and

(Continued on Page 89)

Pepsi calls Coke ads misleading

By PATRICIA WINTERS

Pepsi-Cola Co. last Friday accused rival Coca-Cola USA of misleading consumers with its ad campaign that claims Pepsi drinkers are switching to Diet Coke.

Pepsi said it's asking the Big 3 TV networks to pull the new campaign, which claims "the move is on" to Diet Coke.

Coca-Cola said it can substantiate its claims. The commercials were created by McCann-Erickson Worldwide, New York, and Lintas:New York.

Pepsi challenges are now part of marketing folklore: It has challenged ads in the past with little or no result because competing research is difficult to disprove. But this attack is different, said Michael Lorelli, Pepsi exec VP-marketing and national sales.

"The cola wars have always been fun, and it's been good for business," he said. "But this is one of the rare times that they [Coca-Cola] have gone under the table. . . . The claim is wrong. . . . We have to take it seriously."

Pepsi is charging that Coca-Cola is telling "only half the story" in its new campaign that

(Continued on Page 4)

Papers wary of Sears plan

By PATRICK REILLY

San Francisco—Sears, Roebuck & Co. last week unveiled a tradition-breaking media plan for 1989 and beyond that's already provoking some newspaper opposition.

The plan, presented to the International Newspaper Advertising & Marketing Executives convention here, calls for corporate contracts from major newspaper chains and a single negotiated rate that covers all Sears companies.

"This is a major change, and we know it," said S. Scott Harding, Sears' national retail ad manager. "But we must change to succeed now and in the '90s. I think it is clear the newspaper industry must change, too."

The good news for the industry in Sears' plan is that the giant retailer will support the anticipated spring switch to "everyday low prices" by an increase in total newspaper run-of-press ad linage and a decrease in preprinted insert sections in many markets.

Newspapers generally charge advertisers in preprinted circulars

(Continued on Page 86)

Last Minute News

O&M, Omnicom finish media deal

New York—Ogilvy & Mather Worldwide and Omnicom Group this week will announce their long-awaited international joint media-buying agreement.

That announcement will follow a "summit meeting" of top agency executives here on Feb. 1, said sources involved in the talks. The meeting will bring together U.S. executives of the parent agencies and several top officials from London and Paris.

Albert Nobler, director of business and finance for DDB Needham World-

(Continued on Page 8)

Airlines' suit fights state ad guidelines

By JENNIFER LAWRENCE

WACO, TEXAS—Three airlines have filed suit against Texas Attorney General Jim Mattox in the first legal challenge of the states' national guidelines on air-fare advertising.

The suit, filed Jan. 23 by British Airways, Continental Airlines and Trans World Airlines, alleges Mr. Mattox illegally tried to regulate airline price advertising by enforcing guidelines drawn up by the National Association of Attorneys General.

The suit could eventually determine the states' authority to regulate national advertising.

In a hearing in U.S. District Court here Jan. 27, Judge Walter S. Smith Jr. said he would issue a decision this morning on the airlines' request for a temporary injunction.

If granted, the order would prevent Mr. Mattox from suing the airlines for not complying with NAAG's air-fare ad guidelines until a decision is reached. Judge Smith also said he'd consider Mr. Mattox's motion to dismiss the case as well as a motion to delay the case.

The airlines' suit was prompted by a Nov. 14 letter from Texas Assistant Attorney General Stephen Gardner to five carriers (AA, Nov. 21). The letter, also on behalf of four other states, said the carriers must include all footnoted surcharges in the advertised fare.

The states told the carriers that if they failed to include international surcharges (usually $23) in the advertised fare, they would be sued.

Specific U.S. Department of Transportation orders allow certain surcharges to be footnoted, pitting federal authority against the states.

After receiving the letter, many airlines, including British Airways, decided to comply with the states; others temporarily stopped adver-

(Continued on Page 89)

Campbell ran afoul of the Federal Trade Commission with this ad from Backer Spielvogel Bates, New York.

FTC attacks Campbell ad health claim

By STEVEN W. COLFORD and JUDANN DAGNOLI

Food marketers using health claims in advertising had better be prepared to disclose any ingredient that dilutes those claims, the Federal Trade Commission said in a complaint issued last week against Campbell Soup Co.

The complaint stems from a Campbell print ad that claimed its soups are low in fat and cholesterol and help reduce the risk of heart disease.

The FTC's complaint said the ad was misleading because it failed to disclose the soups are high in sodium and that might increase the risk of heart disease.

Campbell denied the FTC's charges, saying it will contest the case before an agency administrative law judge.

"We don't believe the ad is misleading," said David Hackney, manager of public relations.

The ad, part of Campbell's "Soup is good food" campaign, appeared mostly in women's service magazines during 1988 and is no longer running. It was created by Backer Spielvogel Bates, New York. The "Soup is good food" campaign was replaced last September with a return to Campbell's old "M'm m'm Good" theme.

The disputed ad said "a diet low in fat and cholesterol may reduce the risk of some forms of heart disease" but made no reference to the

(Continued on Page 89)

Shearson likely to ax McCann?

By JUDITH GRAHAM

NEW YORK—Shearson Lehman Hutton already is talking to Hal Riney & Partners as the brokerage compiles a list of agencies for a review of its $15 million account, now at McCann-Erickson Worldwide.

McCann, which recently hired new staff for the account, was "surprised and disappointed" by the move, said John J. Dooner Jr., president of McCann North America. He said the agency will try to keep the business.

But Cathleen Stewart, exec VP-marketing at the nation's second-largest brokerage company, was sounding last week as if a divorce was already final.

"It's like a marriage where everyone tries hard and in the end it just doesn't work," she said.

Ms. Stewart said Shearson was pleased with McCann's creative work but dissatisfied with the level of support from top executives and the quality of account services.

"The agency was not geared up for our kinds of demands," she said, adding that Shearson had expected more involvement from top agency executives.

Ms. Stewart said she didn't have a list of agency candidates but acknowledged that Shearson has started talking to Riney and other, undisclosed agencies.

Riney began working with E.F. Hutton & Co. just before it was bought by Shearson at the end of 1987; until the two brokers combined, Riney was expected to become agency of record on Hutton, which had handled advertising in-house.

Shearson is looking for a small to midsize agency with "extremely good creative and a very strong account management team" to handle the creative and production portions of its account, Ms. Stewart said.

Media buying will remain with Media Placement Services.

The review signals a re-evaluation of Shearson's advertising and almost certainly sounds the death knell for its recent corporate campaign featuring national figures,

(Continued on Page 89)

Highlights

NEWS

4 **Super Bowl star wins off the field**
Joe Montana is negotiating endorsement deals with a major automaker and a soft-drink marketer.

6 **O.J. market takes new twist**
New Minute Maid Premium is aimed at Tropicana, but P&G's Citrus Hill is getting the squeeze.

28 **A case for condoms**
Japan's leading condom marketer joins the battle to draw U.S. women into the market by using cosmetic-case packaging on its Beyond condoms.

32 **Marketers focus on trash**
Companies get a jump on the next possible trend —biodegradable products and packaging.

44 **Henkel cleans up for 1992**
West Germany's soap giant is facing a brand-name mess in its effort to turn pan-European.

62 **P&G launches Hispanic road show**
The host of Spanish-language TV's top show headlines P&G's festival and product exposition.

64 **Blockbuster invades Erol's turf**
Erol's video chain hires its first agency in an effort to stave off industry leader Blockbuster.

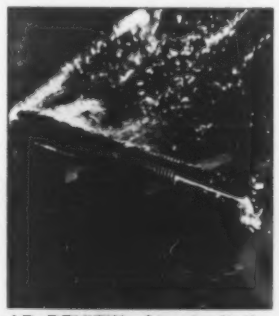
76 **Athletic shoes race for the lead**
L.A. Gear is shifting its home court from the beach to the stadium while Nike takes a jog down fashion street.

80 **Movie industry hits new peak**
Hollywood's renewed interest in good movies and adult audiences results in a box-office boom.

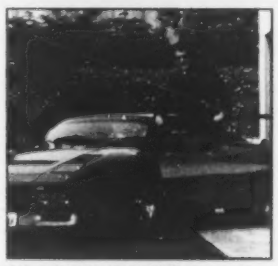
91 **Joe Daly glances back**
Daly shoots down annoying misconceptions about the ad industry as he retires from DDB Needham.

INTERNATIONAL

41 **Canadian events still smokin'**
Marketers are incorporating popular cigarette brands in order to take advantage of a loophole in Canada's Tobacco Products Control Act banning event sponsorship by cigarette brands.



AD REVIEW: Atra isn't the best Gillette can get. P. 90.



SPECIAL REPORT: Automotive Marketing starts after P. 60.

Departments

Achenbaum's Analysis	24
Brady	54
Brady's Bunch	28
Calendar	78
Classifieds	81
Editorials	16
For the Record	85
Forum	18
Global Gallery	48
Letters	20
MediaWorks	74
New Products Roundup	84
People	73
PeopleWorks	72
Perspectivas	62
Photo Review	68
The Next Trend	54

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ABP MPA RED TAG ABC

Pepsi rises to top ad-recall spot

By SCOTT HUME

After billions of dollars and millions of hours were spent pondering how to allocate advertising dollars, the list of 1988's 10 best-recalled advertisers is little different from the 1987 list.

The final 1988 tally of ADVERTISING AGE's monthly adWatch survey showed Pepsi-Cola and Coca-Cola/-Coca-Cola Classic once again were the two best-recalled advertisers. But in 1988, they reversed positions, with Pepsi claiming the No. 1 spot.

Five advertisers—McDonald's Corp., California Raisin Advisory Board, Anheuser-Busch, Ford Motor Co. and General Motors Corp.'s Chevrolet division—even kept the same top 10 rankings as in 1987.

Miller Brewing Co. stayed in the top 10 but dropped to No. 9 in 1988 from No. 6 the year before.

That left room only for two new top 10 advertisers—politicians and Procter & Gamble Co.'s Tide laundry detergent.

The two advertisers that fell from the top 10 top-of-mind recall list were Chrysler Corp. and E&J Gallo Winery's Bartles & Jaymes coolers. Chrysler, No. 9 in 1987, finished 13th in 1988 (behind want ads in 11th and Toyota Motor Sales USA in 12th). Bartles & Jaymes, No. 10 in 1987, was somewhere back in the pack.

AdWatch is a joint project of ADVERTISING AGE and the Gallup Organization. Advertising awareness is measured by asking a nationally projectable sample to name the advertising that first comes to mind from all seen, heard or read in the previous 30 days. Each month, 1,000 respondents, interviewed by phone, are first asked for their overall first response and then the advertising they recall in a variety of categories.

For December, McDonald's advertising was tops in recall. Other advertisers in the month's top 10 were, in descending order, Ford, Chevrolet, Miller, Pepsi, California raisins, A-B's Budweiser/Bud Light, General Motors, K mart Corp. and Coca-Cola.

Final 1988 standings were reached by calculating average monthly responses.

In the individual categories for 1988:

- Ford easily outran the competition in the **cars and trucks** category, averaging a 22.8% share of first mentions. Chevrolet was second with an 18.6% share and Toyota third with 6.6%.
- Apple Computer was the year's winner in the **computer** category with an average monthly share of 31.2% of first mentions, vs. IBM Corp.'s 21.9% and Radio Shack's 2.5%.
- Nobody can do it like McDonald's can, as the chain's advertising once proclaimed. Big Mac continued to dominate its category as no other advertiser does. In 1988, it averaged 46.2% of first mentions in the **fast-food** category, while Burger King Corp. settled for 13.2% and Wendy's International averaged a 7.6% share.
- The story in the **soft-drink** category was the same as it was in the overall top 10 list: It was Pepsi-Cola Co.'s year on top. No. 2-selling Pepsi was the best-recalled advertiser in the category with an average 37.4% share of first mentions. Coca-Cola Co.'s Coca-Cola/Coca-Cola Classic was second with 29.9%.

The battle for third place was very tight, but Diet Coke won with a 3.38% average share, followed by Diet Pepsi's 3.35% and 3.3% for 7UP, marketed by Dr Pepper/-Seven-Up Cos.

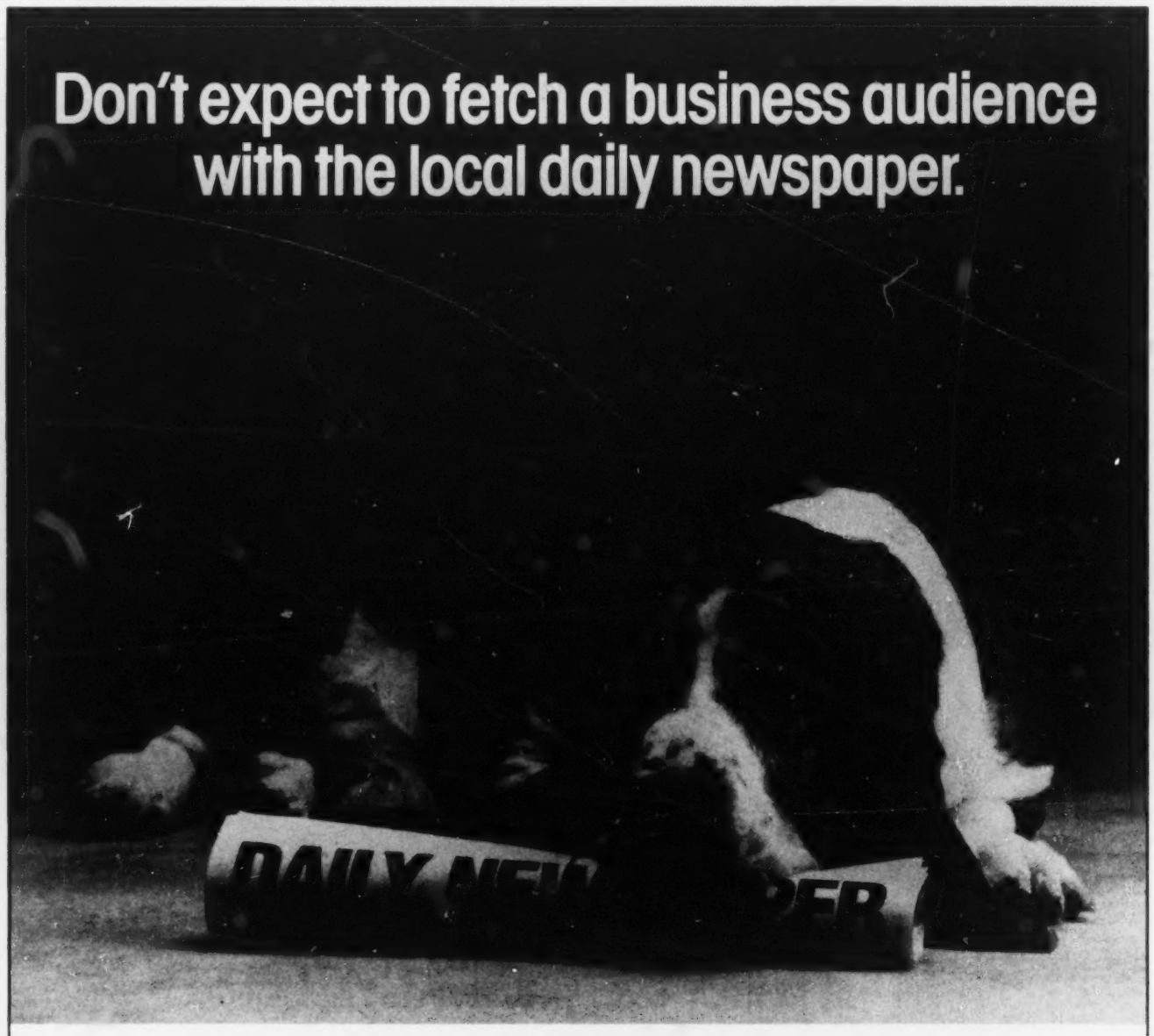
- One of the year's most interesting developments came in the **tire** category. Goodyear Tire & Rubber Co. and Michelin Tire Corp. began the year with nearly equal shares (18% and 16.9%, respectively). But a pair of new campaigns for its tires and its Certified Auto Services outlets—from Young & Rubicam, Detroit—put Goodyear out in front to stay. The final averages: Goodyear 23.3%, Michelin 18.6% and Firestone Tire & Rubber Co. 6.6%.
- Hal Riney may be gone, but Messrs. Bartles and Jaymes remain memorable characters. B&J parent Gallo was the winner in the **wine** category with an average 12.3% share of first mentions, followed by the cooler at 10.3% and 7.8% for Banfi Vinters' Riunite.#

For more information, contact the Gallup Organization, 301 S. 68th St., Lincoln, Neb. 68506. Phone: (402) 489-0351.

AdWatch survey of advertising awareness
Top 10 in 1988

Each month, 1,000 people were asked: Of all the advertising you have seen, heard or read in the past 30 days, which advertisement first comes to mind? Below are the top 10 advertisers in average monthly responses for the year. Source: Gallup Organization, Lincoln, Neb.

Rank 1988	1987	Advertiser	Agency
1	2	Pepsi-Cola	BBDO Worldwide
2	1	Coca-Cola	McCann-Erickson
3	3	McDonald's	Leo Burnett USA
4	4	California raisins	Foote, Cone & Belding
5	5	Budweiser/Bud Light	D'Arcy Masius Benton & Bowles/DDB Needham
6	—	Political advertising	Various
7	7	Ford	J. Walter Thompson USA
8	8	Chevrolet	Lintas:Campbell-Ewald
9	6	Miller	J. Walter Thompson USA/Backer Spielvogel Bates
10	—	Tide	Saatchi & Saatchi Advertising



Using the daily newspaper to reach a local, upscale business audience is like trying to teach an old dog new tricks. But there is a better, easier, and more efficient media alternative. It's called THE NETWORK of City Business Journals.

THE NETWORK is comprised of more than 50 local business publications that cover 36 of the top 50 U.S. markets. Through this single source — and with only one call — you can pinpoint your buy to any group of markets you choose, and reach the highest caliber of business executives in an all-business, local editorial environment.

So if you're dog-tired of not reaching the right audience, and you'd like to be consulted about a better local business buy, call your NETWORK Representative at any of the Regional Sales Offices listed below.

THE NETWORK
of City Business Journals
America's Local Business Experts™

Atlanta (404) 249-8000
Chicago (312) 337-3981
Kansas City (HQ) (816) 753-4300
Los Angeles (213) 385-7230
New York (212) 573-6010
San Francisco (415) 391-6400

Int'l entries due Feb. 8

CHICAGO—ADVERTISING AGE is extending to Feb. 8 the deadline for entries in its International Agency of the Year competition.

Agencies wishing to participate must send their most creative print work and TV spots running in 1988. Please send ¾-inch Umatic videocassette tape—NTSC, Pal or Secam—with no more than two spots for one client and no more than 12 spots in all. Don't send 16mm or 35mm film reels.

Campaigns that ran in more than one country can only be submitted by the lead agency that created the bulk of the work.

Send entries to Julie Skur Hill, Assistant International Editor, ADVERTISING AGE, 740 Rush St., 60611. Phone: (312) 649-5489.#

Dealer ad groups flash their muscle

Fastest growing area of auto advertising wins respect, enthusiastic agencies

By Raymond Serafin

Hugh Trenkamp remembers when "a lot of people would say they didn't want to work on that 'dealer crap.' "

The senior VP-management director of the regional advertising group for J. Walter Thompson USA, Detroit, has seen those attitudes change dramatically in the 16 years he's been involved with dealer co-op ad groups.

Dealer ad groups make up the fastest growing tier of automotive advertising, with manufacturers and individual dealers on the other tiers. Between advertising their own stores and contributing to regional groups, new car and truck dealers are pouring money into advertising at a rate approaching $4 billion a year, according to the National Automobile Dealers Association.

That kind of money has reshaped a lot of thinking about dealer advertising. In the last few years, the entire category has grown fast: The billings, the importance to brand building, agency competition for accounts, marketing sophistication, and inevitably, the arguments between manufacturers and dealers over funding and control.

New car and truck dealerships spent $3.5 billion on advertising in 1987, a 9.4% increase from 1986, according to NADA. Tom Webb, senior economist for NADA, says preliminary data indicates that advertising as a percentage of total sales remained steady at 1.3% in 1988. With sales up an estimated 11% in 1988, dealer spending on advertising is about $3.9 billion.

"Dealers are, on the average, spending more than $300 per new car retail, which is an astonishing figure," says John Ferron, partner at J.D. Power & Associates, an automotive market-research specialist.

Texas region Ford dealers are foresaking more typical hard-sell for lifestyle vignettes in TV spots in the state.

The growth in the number of mega-dealers is helping drive up ad spending figures. A decade ago, less than 15% of dealerships were part of a "chain"—two or more dealerships owned by the same principals; the figure now is closer to 50%.

Mega-dealers generally are located in competitive metro markets and are big users of TV. Local dealers invested $371.4 million in TV in the top 75 markets monitored by Broadcast Advertisers Reports, a 9.6% increase from 1986, according to an analysis by Television Bureau of Advertising.

Another factor is the bigger role of dealer ad groups. Dealer co-op programs accounted for an estimated $1.1 billion in dealer spending in 1987 and are continuing to grow fast, says Mr. Webb. Factories provided an estimated $300 million in matching funds in 1987.

The growth in dealer group advertising is showing up in spot TV trends. Although spot figures include regional programs funded by manufacturers, the bulk of the spending comes from dealer ad associations, says Dick O'Donnell, VP-automotive for TvB.

In 1987, automotive spot TV spending hit $1.143 billion, up 24.8% from 1986, and surpassed network TV automotive spending by $228 million. For the first six months of 1988, automotive spot TV spending of $585.5 million was up 9.9% compared with the same period in 1987, according to TvB.

"The big growth has been in the last three to four years, as the manufacturers realized they don't sell the same models of cars and trucks in different regions," says Mr. O'Donnell. "Station wagons don't sell in Dallas, but they do in Boston."

Ford has been involved in co-op ad programs with dealers since 1936, but Mr. Trenkamp says that until recent years, it was a "hit and miss" proposition. Now, he says, dealer group advertising is more prominent than factory efforts in fiercely competitive markets such as Chicago.

"Dealers are buying upfront as if they were a division," says George Beech, exec VP-general manager, Birmingham, Mich.-based Bozell, Jacobs, Kenyon & Eckhardt, which handles 49 of the 52 Chrysler Motors' Chrysler-Plymouth dealer ad groups. "They demand a choice of quality creative, and they want you to spend their money intelligently."

Dealer groups are putting less emphasis on clearance sales in favor of "long-term marketing strategy," Mr. Trenkamp says. For example, JWT's work for a Texas dealer group features brand-building lifestyle vignettes, which are more common in national advertising.

Mr. Ferron says manufacturer incentives' advertising is blurring the distinctions between the three tiers of auto advertising.

"Co-op is doing much more product advertising to augment the shout of the manufacturer, and dealers are spending a higher percentage of their advertising dollars on product-related issues and less on creating dealership image," he says.

Some automakers, such as Chrysler Corp., Volkswagen of America, Mercedes-Benz and Ford's Lincoln-Mercury division steer their ad associations toward using the factory agency, contending it helps to convey a unified message

(Continued on Page S-14)

Power consolidates at mega-dealers

But the foothold for lesser brands can mean quick hook in tough times

By Patricia Strnad

Charles Darwin's theory of evolution may well fit the auto industry in a marketplace that is fostering the growth of mega-dealerships.

Mega-dealers—high-volume dealers usually owning multiple franchises—have become more commonplace as dealers diversify and reduce their reliance on a single brand.

The National Automobile Dealers Association estimates the 25,000 dealerships in the U.S. are owned by 17,000 dealer principals, as opposed to 28,850 dealerships owned by 25,100 dealers in 1979.

J. David Power III, president of J.D. Power & Associates, an automotive marketing information company, says the top 800 principals control 30% of the business. In the crowded U.S. vehicle market, mega-dealerships may pose serious problems for manufacturers of struggling brands such as Yugo and relatively new and unproven nameplates, says John Ferron, a partner at J.D. Power.

A dealer attitude survey conducted by J.D. Power in late 1987 showed that 30% of the mega-dealers indicated they might drop a brand within the next 12 months. In fact, 35% of Alfa Romeo dealers said they were considering dropping the brand. The same is true for 20% of Yugo dealers; 17% for Subaru; 15% for Peugeot; 13% for Volkswagen and 11% for Audi.

A soon-to-be-released survey indicates that newer franchises are having a tough time being considered a permanent part of any dealership portfolio, says Mr. Ferron. It indicates that the burden is on the manufacturer to prove its case, creating tension between dealers and manufacturers.

"I think it's harder for manufacturers if mega-dealers don't want them," says J. Rick Hendrick III, owner of Hendrick Management Corp., a dealership holding company. "If a franchise comes in the market and it just doesn't make sense and the manufacturer is asking for too much, they're going to have a hard time selling their program."

Manufacturers, recognizing the market is changing, are coming up with special dealer support programs that they feel will help encourage dealers to build the facilities they request. In fact, some manufacturers—especially those of lower-volume makes—are becoming more realistic in their negotiations with dealers about the size of facilities, whether they are exclusive, where they should be located and special financing, Mr. Ferron says.

"Dealers have more clout today," says Bob Henderson, general director of dealer operations for General Motors Corp.'s Buick division.

It's becoming "increasingly difficult for the divisions to deal with multiple dealer operators on a local level," he says. There is more of a tendency to deal on a regional basis because generally their operations encompass more than one geographic area.

Ford prefers to sign on the dealer who is "active in his community and who's going to be personally involved in operating that dealership on a day-to-day basis," says Al Kleinke, market representation manager for Ford Motor Co.'s Ford division. The manufacturers have abetted the mega-dealer trend by seeking successful dealers of other lines to carry their brands.

"Manufacturers want dealers with proven track records," says Mr. Hendrick. "The two things they look at when approving you is your market penetration and your CSI [customer satisfaction index]."

About four years ago General Motors Corp. relaxed its multiple-dealer investor policies, which restricted the number of dealerships a GM dealer could own and prohibited them from carrying imports.

"It becomes more difficult for the manufacturer as dealers become more different [from one another]. There are these large, high-volume operators trying to be creative in major impact markets that the manufacturer has to satisfy. But that dealer isn't anything like the [rural] Ford dealer who is dependent solely on Ford," Mr. Ferron says.

Dealer advertising

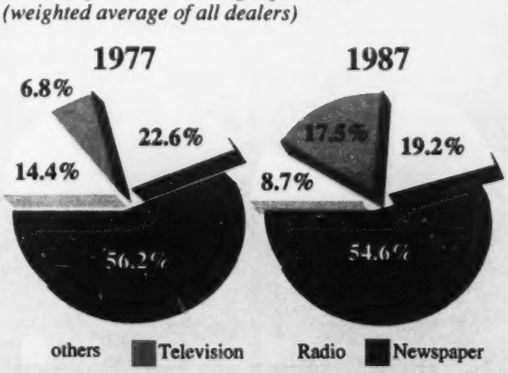
1987 expenses

By media used	Average of all dealers
Newspaper	$76,202
Radio	26,838
TV	24,466
Direct mail	5,429
Outdoor	2,610
Programs	1,172
Handouts & handbills	377
Displays & demos	1,396
Other	1,074
Total	**$139,564**
Total advertising as a % of total sales	**1.31%**
Total advertising per new vehicle sold	**$235**

Source: National Automobile Dealers Association

Auto dealer ad spending

Percent of total advertising expenditures (weighted average of all dealers)



Source: National Automobile Dealers Association Advertising Age graph: John Holland

MARKETING TO HISPANICS

Perspectivas

Edited by Ed Fitch

ON THE AIR

The big gets bigger. "Sabado Gigante," **Univision Network's** game/variety show, increased its domination of Spanish-language TV. According to just-released **Strategy Research Corp.** fall sweeps data, Saturday's 3½-hour giant grabbed a 38 rating, up from last spring's 37 rating.

Univision continued its reign, airing 22 of the top 25 shows. **Telemundo Group** had the No. 10 show among women 18 and older. Two Telemundo *novelas* ranked Nos. 9 and 10 among women 18 to 49 and 35 to 49; "MTV Internacional" ranked No. 7 among men 18 to 49 and 35 to 49. Otherwise, Univision broadcast the top 10 shows in each demographic category.

Telemundo points to gains among younger and male viewers and a 9% increase in network audience.

Univision executives look to the future. "We're thinking in five-year increments in terms of programming," said Joaquin Blaya, network president. "Not everything we do will be a success, but some new shows should help create a lineup that will take us where we want to be." Specifically, the network will introduce three new shows in March and April.

"Cristina," a live audience talk show, will slip into the Monday to Friday 5 p.m. slot, replacing a *novela*. The show will by hosted by Cristina Saralegui—"our Oprah Winfrey, our Dona Francisca," said Mr. Blaya.

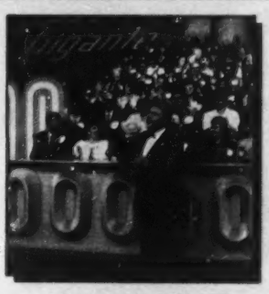
A half-hour "People's Court"-type show called "El Juez" ("The Judge") will debut at an unspecified time period. "I'm not saying we came up with the original idea, we're just adapting them," he said.

Perhaps the most ambitious project is a currently untitled one-hour, Monday through Friday morning children's show. Offering a mix of educational programming and cartoons, the show enters the twilight zone of Spanish TV where a 3 rating has been termed a success.

Telemundo will enter the children's arena as well, planning a two-hour block of children's programming for Saturday for next fall or early 1990, according to Carlos Barba, senior VP-programming. "We have strong competition from general market TV at that time and need to address and attract that audience," he said.

This fall the network will try to increase young adult viewing with "America Dance," a one-hour program that will air close to "MTV Internacional." Univision plans to grab Saturday night viewers with a 13-week "Saturday Night Live"-type show airing at 11 p.m. hosted by comedian Paul Rodriguez.

Telemundo also is planning a prime-time half-hour sitcom that will feature a Mexican woman married to a Cuban man. "It will be our version of Lucy and Desi," Mr. Barba said.



The giant reigns

Program	Rating
1. "Sabado Gigante"	38
2. "Primavera"	36
3. "Mi Nombre es Coraje"	33
4. "Extrano Retorno"	32
5. "Noticiero Univision"	27
6. Cinevision	20
7. "Alba Marina"	19
8. "Siempre en Domingo"	16
9. "Tu Musica"	15
"Noticiero Univision, Sabado"	15

Source: Strategy Research Corp., S*T*A*R Network Spanish Ratings, Fall 1988 sweeps

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PRINT MONITOR

PUBLISHER GIVES PRINT NEW IMAGE

Manny Casiano thinks U.S. Spanish-language magazine publishers are going about their business the wrong way.

"They try to satisfy everybody and end up not satisfying anybody," said the chairman and editor in chief of San Juan, Puerto Rico-based Casiano Communications. "You cannot satisfy all Hispanics with one publication. The guy in Miami doesn't care about what's happening in Texas."

For that reason, Mr. Casiano will introduce *Imagen Northeast* next month in Connecticut, Massachusetts, New Jersey, New York and Pennsylvania. The monthly is an offshoot of 3-year-old *Imagen*, a monthly lifestyle publication focusing on Puerto Rico's middle and upper-income families. Mr. Casiano expected December 1988 ABC-audited figures to show a 71,000 circulation, up from 60,000 in June.

Northeast will guarantee 30,000 circulation, of which Mr. Casiano hopes to sell 15,000 to 20,000 on 2,500 newsstands. He projects *Northeast*, which will carry a $2.50 cover price, to hit 50,000 circulation by yearend. The launch is being backed by a $500,000 TV, radio, direct-marketing campaign.

Ads comprise 22 pages of the launch issue's 120-page folio. Rates are $1,600 for a b&w page; $2,200 for color.

Mr. Casiano expects agencies will respond to the publication's audited circulation, saying existing publications are using "wild numbers."

Meg Bernot, media director, Publicidad Siboney, said its regional nature and *Imagen's* track record make *Northeast* attractive. "Enough products are targeted regionally in the market that this makes sense," she said.

Ms. Bernot said the new magazine's biggest competitor will be *Ahora*, a Univision publication due out this fall that will offer regional buys and an estimated 500,000 national circulation.

Manny Casiano, publisher of Puerto Rico's *Imagen*, says regionalization is the key to print success on the mainland.

Depending on *Northeast's* growth, Mr. Casiano will launch three other regional editions to serve Florida, Chicago/Texas and Southwest/California Hispanic markets.

He said quality competition would benefit *Northeast*. "How can advertisers justify spending the money producing print ads for a single magazine? We need more quality publications that can interest advertisers."

SHOP TALK

AGENCIES SEARCH FOR '90s FORMULA

Carlos Rossi, ceo of Conill Advertising, sums up the current state of the Hispanic agency business: "It's getting kind of interesting."

Facing market growth and its attendant competitiveness, Hispanic shops are searching for the right formula to create the next decade's ideal agency structure.

Mr. Rossi will steer Conill in two directions: inward and outward. The apparent contradiction reflects his assertion that Hispanic shops must be both a nationally oriented full-service agency and local retail specialist.

Conill will create an agency within an agency, with a separate staff dedicated to servicing local accounts. "Some local accounts are bigger than national clients, and clients are going [in the direction of regional marketing]," he said.

Conill also is setting its sights on becoming a one-stop agency, adding direct marketing and public relations. "We will be better prepared for a recession as a marketing services company. Clients may cut back on advertising, but not on promotion," Mr. Rossi said.

The promotional push is fueling a move to outlying offices. "Media and creativity can be done anywhere. I feel driven to open other offices because of promotions," said Paul Casanova, president, Casanova, Pendrill Publicidad.

Font & Vaamonde Associates is shopping for office space in San Antonio and recently opened offices in Los Angeles and Miami to bolster sales promotion capabilities.

"The Los Angeles office is being built as a full-service branch to also pitch local accounts, however," said Jeffrey Stein, exec VP, Grey Advertising, FoVa's partner. "There is enormous potential in local activity." FoVa will open a Chicago office by yearend primarily to service clients' promotional needs, he said.

It will have company. Mr. Rossi said, "We will be there [Chicago] by the end of 1989," and perhaps Miami and San Antonio.

Satellite offices are the only way the big will get bigger, said Roger Pisani, exec VP-managing director of Publicidad Siboney. "The greater your revenues, the better chance you have of attracting limited talent, doing better creative and getting more clients."

The move to outlying full-service offices will be limited because the business volume does not make it economically feasible, said Tere Zubizarreta, president, Zubi Advertising, Miami.

"Unless you got a $4 million account that demands more than service, it's hard to justify," said Mr. Casanova.

Dick Dillon, president of Mendoza, Dillon & Asociados, prefers to handle all activities out of his headquarters, "like Leo Burnett. I don't think satellites are necessarily going to produce more business." Clients want the best creative minds and account managers, and "those probably will be in the main office," he said.

■ Jorge Reynardus, former VP, general manager of **Castor Spanish International**, has formed **Hispanic Advertising & Marketing Services**, New York. The agency will target both marketers and general market agencies. "Every major Hispanic agency has a general market agency partner. We're here for the general market shops that don't have a partner," Mr Reyardus said.

PRODUCT AND ACCOUNT ACTIVITY

Procter & Gamble Co. will announce in San Antonio today "Fiesta Gigante," one of the company's largest 1989 Hispanic market promotion.

Don Francisco, the host of Spanish-language TV's No. 1 show, "Sabado Gigante," will headline the live events, which are being described by retailers familiar with the program as a combination variety show and product exposition. Other top Hispanic entertainers such as Lucha Villa and Alvaro Torres will be featured.

The first event will be held at San Antonio's Alamo Stadium on Feb. 18. It will travel to Houston, Santa Ana, Calif., and close at Belvedere Park in Los Angeles on March 26.

Bounty, Charmin, Crest, Downy, Folgers, Head & Shoulders, Pampers, Peptol-Bismol, Scope, Secret and Tide will be featured at on-site booths and in retail promotions. Consumers will receive a $2 or $5 discount off ticket prices with proof of purchase of one or two products, respectively.

P&G may open the event to other sponsors. The event and promotions will be backed by a TV, radio and print campaign. Ad budgets and event costs were not disclosed.

"For two or three years, P&G has been involved in special events with brand advertising, sales promotion and retail overlays. This is one of the biggest one to combine the elements," said Robert Jordan, Hispanic marketing manager-West.

"We're listening and responding to the needs of our retail customers and consumers," he said.

■ **L.A. Gear** breaks a sweepstakes promotion this week on **Telemundo Group's** "MTV Internacional," representing the company's first venture into Spanish-language TV. The winner will appear on the show as a guest video jockey, and receive a trip to a concert.

■ **Winchell's Donut Houses** to **Casanova, Pendrill Publicidad** on a project basis.

Winchell's "had made the classic mistake of just translating our English ads," said Kevin Murphy, VP-marketing and sales. The company primarily wants to start a dialogue with Hispanics in Southern California where it has strong store penetration. "Anybody in this business who is not making some kind of effort is being myopic."

The new campaign probably will break in the second quarter and expand "everywhere where it's appropriate," Mr. Murphy said.

■ **McDonald's Southeast Florida Association** to **Pantin Partnership**, a newly formed Miami-based public relations agency, for South Florida general market and Hispanic market public relations.

■ **Universal Studios** estimated $1 million account to **Valdes Zacky & Associates**.

■ **Heublein Inc.** to **IAC Advertising Group** on a project basis in South Florida for Jose Cuervo Tequila and Cognac Biscuit.

■ **White Rose Food Corp.** assigned ad responsibilities for its **Met Food Supermarket** to **Spanad**, which has changed its name from **SpanAmerica**.

■ **Frito-Lay**, which named **Martinez & Associates** its first Hispanic agency of record (AA, Jan. 9), ran an ad in *Fortune* today lauding the agency as its 1988 Minority Business Enterprise of the Year. Martinez had handled the company's Hispanic public and community relations program and minority business development efforts.

Martinez also was assigned **Southwestern Bell's** Minority and Women's Business Enterprise Program.

Grocery volume, dollar sales climb

By ALAN B. MILLER JR.

Grocery product unit sales grew only slightly in 1988, but dollar increases did a little better.

In the 475 package-goods product categories tracked by SAMI/Burke, total unit volume rose 1.5% and dollars were ahead 4.2% for the 52 weeks ended Nov. 4. One year earlier, the growth rate was 0.8% in units and 2.2% in dollars.

Inflation, drought-caused shortages and a change in product mixes to higher-quality items are among the reasons for the dollar increases.

New-product activity fell slightly in 1988. During the first 44 weeks of the year, 2,294 new brands appeared in one or more of SAMI's 54 markets, down 1.9% from a year earlier.

Still, volume gains in many grocery product categories can be traced to new-product activity, especially microwave products.

A gain of 191% in the miscellaneous prepared foods category is directly traceable to the rollouts of Top Shelf by Geo. A. Hormel & Co., Lunch Buckets by Dial Corp. and Minute Gourmet by Beatrice/Hunt-Wesson. Microwave popcorn sales increased 41.8%. Microwave frozen milkshakes made their appearance, and there were big gains for such microwave items as dessert baking mixes; canned meat stew, poultry products, chili and pasta dishes; and frozen fish, pot pies and prepared vegetables.

A new SAMI study of microwaveable product trends showed such items accounted for a little more than $1.7 billion in sales for the year ended Oct. 7. These products are found in 56 different product categories.

Shortages caused by last summer's drought and heat wave affected several categories. For example, lower water levels in the spawning grounds led to a 32.5% poundage decline in canned salmon for the 12 weeks ended Nov. 4.

In the canned vegetables category, declines ran 32.2% for peas, 23.6% for corn and 15.6% for green beans for the same period.

A number of health or diet factors help explain trend lines in other categories. Hot cereals, where oats was a health-associated buzz word, enjoyed a 12-week dollar gain of 24.2%. Ready-to-eat cereals with high bran or fiber content experienced a 27.6% gain. Light or low-calorie offerings were in vogue as evidenced by the 12-week increases for light canned peaches (23.6%), low-calorie salad dressings (31.6%) and low-cal mayonnaise/spoonable salad dressing (39.1%).

The increase in smaller households led to a growing volume for products in single-serve packaging. Portion packs helped expand the applesauce category's volume by 26%.

Del Monte USA's shelf-stable yogurt shack packs led to a gain of 112% in its category. Aseptic packs of juices and drinks are still growing at a rapid rate—17.1%.

In the dry grocery-non-foods area, only 10 categories showed dollar growth of 10% or more.

Dishwasher additives topped the list; sales gains by Eenckiser Consumer Products USA's Jet Dry helped lift the category by 46.5%. Adult incontinence products reported a 40.5% gain.

In the health & beauty aids segment, there were 11 product categories with 52-week growth rates of more than 10%. Feminine hygiene deodorants led with 29.2%, a result of the rollout of Beecham Products USA's Massengill feminine towelettes.

Suntan lotion and oil gained 15.9%, aided by an increase in the sale of sunscreens. Mouthwash volume grew 15.1%.#

Mr. Miller is a New York-based consultant to SAMI/Burke.

Hot product categories in 1988

52 weeks ending Nov. 4, 1988
Source: SAMI/Burke

	% change in dollar sales
Dry grocery: food	
Misc. prepared products	+191%
Sterilized milk & milk drinks	+61
Packaged diet candies	+38
Rice/grain cakes	+37
Non-alcoholic wine & malt	+36
Misc. snacks & dips	+34
Juice & juice drink concentrates	+31
Blended vegetable juices	+27
Bottled water	+27
Diet desserts	+26
Frozen foods	
Other frozen foods	+861
Frozen yogurt	+78
Sandwiches	+44
Misc. prepared foods	+43
Rice/rice combinations	+32
Misc. juices	+29
Vegetable/cheese sauce	+24
International style prepared vegetables	+23
Breakfasts	+23
Misc. prepared vegetables	+21
Refrigerated foods	
Puddings	+139
Misc. juices	+66
Misc. dough products	+30
Cookies	+26
Misc. items	+24
Orange juice	+18
Apple juice/cider	+16
Mexican food	+15
Dinner rolls	+14
Pie crust	+14
Dry grocery: non-food	
Dishwasher additives	+47
Adult incontinence products	+41
Plastic flatware	+17
Fireplace logs & bricks	+16
Plastic refuse bags	+16
Soap: bubble bath for children	+14
Rock salt	+13
Upholstery cleaners	+13
Food storage bags	+12
Mildew removers	+11
Health & beauty aids	
Feminine hygiene deodorants	+29
Suntan lotion-suntan oil	+16
Mouthwash	+15
Foot deodorant-athlete's foot remedies	+14
Laxatives & stool softeners	+14
Eye-care products	+12
First-aid antiseptics	+12
Deodorant & talcum powders	+12
Hair spray	+12
Hand & body cream	+12

NEW PRODUCTS ROUNDUP

These reports cover new-product introductions and line extensions.

BAKED GOODS

NORWALK, CONN.—**Pepperidge Farm** is introducing Very Thin Sliced Oatmeal Bread in East Coast markets, handled by Ogilvy & Mather, New York.

BEVERAGES

CINCINNATI—**United Brands'** Chiquita Brands unit is testing Tropical Squeeze, a pineapple/passion fruit 100% juice product, in the Northeast. Ammirati & Puris, New York, is the agency.

CINCINNATI—**Procter & Gamble Co.** in March will launch nationally two oat bran muffin mixes under its Duncan Hines label. N W Ayer, New York, handles.

BLEACH

OAKLAND, CALIF.—**Clorox Co.** in February will expand nationally Lemon Scent Clorox liquid bleach after a six-month test in Southwestern markets (AA, Aug. 1). Foote, Cone & Belding, San Francisco, handles the TV campaign.

DAIRY PRODUCTS

MINNEAPOLIS—**General Mills** this month introduces Yoplait Light, the first yogurt sweetened with NutraSweet to be available nationally. An introductory TV and print campaign from DDB Needham Worldwide, Chicago, starts in February.

PERSONAL CARE

MANITOWOC, WIS.—**Northern Laboratories** this month broke national print ads introducing Capri Moisturizing Bath Beads. Keller-Crescent, Evansville, Ind., is the agency.

CHASKA, MINN.—**Softsoap Enterprises** is testing Softpack, a liquid soap refill package. TV spots are airing in the Seattle and Minneapolis test markets via Miller Meester Advertising, Minneapolis. Cash Plus, Minneapolis, places media.

SANDWICHES

DALLAS—**Jimmy Dean Meat Co.** has introduced all-beef MiniBurgers in six markets: Baltimore, central Pennsylvania, Philadelphia and Dallas, Houston and San Antonio, Texas. TV and a free standing insert support. Berry-Brown, Dallas, handled the TV, and Static Graphics, a division of Krause & Young, Dallas, did the FSI.

VITAMINS

FORT WASHINGTON, PA.—**McNeil Consumer Products Co.**, a unit of Johnson & Johnson, is testing Johnson & Johnson Sesame Street vitamins in Florida. Advertising is believed to be handled in-house.#

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Ad Age revises 'top advertisers'

The following correction and restatements are for profiles in ADVERTISING AGE'S *"100 Leading National Advertisers" report appearing Sept. 28, 1988:*

- Coniston Partners was the major participant in Gillette Co.'s buyback of 16 million shares, not the recipient of the $720 million repurchase at $45 per share (P. 78).
- The American Brands office supply units, Master Lock Co., Prestige Group, Acushnet Co. and Foot-Joy, were part of American Brands before the E-II purchase, which added Day-Timers and Vogel Peterson, among others, to the division (P. 4).
- AT&T Co.'s headquarters are at 550 Madison Ave., New York 10022-3297. Also, Dick Martin should have been listed as VP-PR and advertising for AT&T Network/Technologies and Serino Coyne as the agency for all advertising for corporate arts and underwriting including "AT&T Presents." Mark Schoenfeld is senior VP-account manager (P. 16).
- Warner-Lambert Co. incorrectly reported its product assignments. The correct roster is as follows: for the American Chicle Group, J. Walter Thompson USA, New York, handles Clorets, Halls, Trident, Sticklets, Chewels, Bubblicious, Fiji Fruits and Chiclets; for the Consumer Health Products Group, JWT handles Listerine, Listermint With Fluoride, Anusol, Schick, Personal Touch, e.p.t., Sinutab and Lubriderm; Young & Rubicam, New York, handles Certs, Certs Mini-Mints, Dentyne, Rolaids, Rascals, Candilicious and Remegel for the American Chicle Group and Efferdent for the Consumer Health Products Group; Sudler & Hennessey, New York, handles Caladryl, Benadryl Spray & Cream, Benadryl Capsules & Elixir, Myadec, Tucks, Mediquell and Promega for the Consumer Health Products Group; Thomas G. Ferguson Associates, Parsippany, N.J., handles professional/trade programs (P. 144).
- Joe Uzzolina is director of new business at Colgate-Palmolive Co. He was identified as manager of new business (P. 54).#